GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:2189
ANSWERED ON:18.03.2002
DIMENSIONS OF INFORMAL SECTOR
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Will the Minister of LABOUR be pleased to state:

(a) the recommendations of International Labour Organisations (ILO) about Informal Sector Employment in India;

(b) the percentage of labour in Informal Sector in metropolitan cities;

(c) whether there is necessity to recognize and formalize labour forces in order to improve the ecomomy of the country; and

(d) if so, the steps the Government propose to take in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI MUNI LALL)

a) International Labour Organisation has not given any recommendation about the informal sector employment. However, on the basis of a series of studies, workshops, seminars etc., it has been recognized that informal sector needs to be given legitimacy, recognition and policy support.

b) The results of the labour force survey conducted by National Sample Survey Organisation during 1993-94 estimate that 79.6%, 77.3%, 77.3% and 80.3% of the male population in the cities of Delhi, Bombay, Madras and Calcutta respectively were employed as per Usual Principal and Subsidiary Status Approach. The corresponding figures for female were 13.2%, 22.1%, 22.7% and 18.3% respectively. Separate figures for informal sector are not available.

c & d) Informal sector provides employment to the majority of the labour force in India which would otherwise lack the means of survival. The informal sector also holds the potential for additional job creation and a strong capacity to contribute to economic growth. The contribution of informal sector towards employment generation and economic growth has been recognized by the Government. The issue of quality employment in the informal sector is drawing attention of the Government. A Committee has been set up in the Planning Commission to suggest measures for implementation during 10th Five Year Plan so that around 10 million jobs opportunities are created during each year of the 10th Five Year Plan. Various issues relating to informal sector are the agenda of the National Labour Commission.